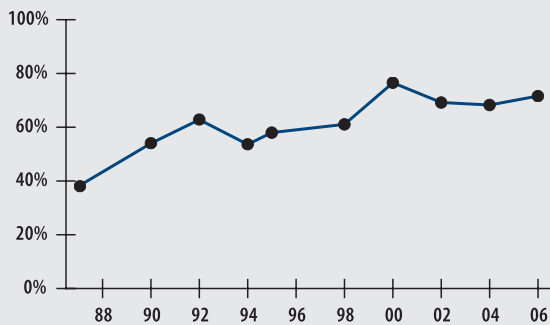
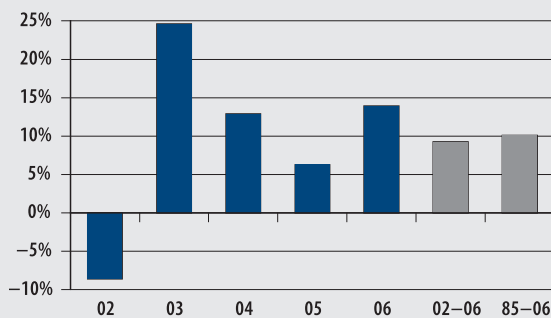


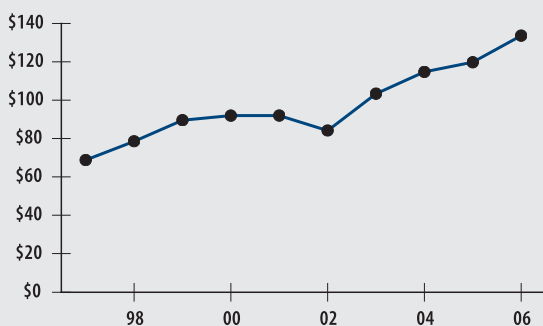
► **Funded Ratio (1987-2006)**



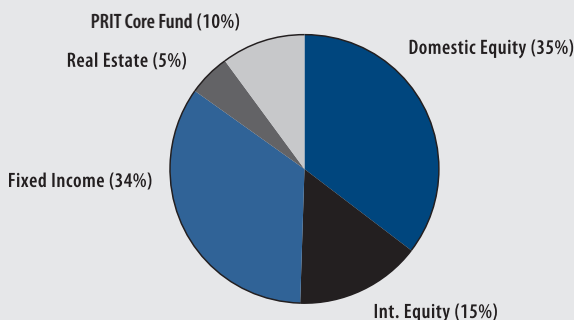
► **Investment Return (2002-2006, 5 Year and 22 Year Averages)**



► **Asset Growth (1997-2006) (Market Value in Millions)**



► **Asset Allocation (12/31/06)**



► **ACTUARIAL**

• Funded Ratio	71.6%
• Date of Last Valuation	01/06
• Actuary	Stone
• Assumed Rate of Return	7.88%
• Funding Schedule	2.0% Increasing
• Year Fully Funded	2026
• Unfunded Liability	\$47.6 M
• Total Pension Appropriation (Fiscal 2007)	\$5.9 M

	Active	Retired
• Number of Members	719	501
• Total Payroll/Benefit	\$30.9 M	\$9.6 M
• Average Salary/Benefit	\$42,900	\$19,200
• Average Age	48	74
• Average Service	11.5 years	NA

► **INVESTMENT**

Domestic Equity

- Armstrong Shaw Associates
- J.L. Kaplan Associates, LLC
- SSgA S&P 500 Flagship Fund

Domestic Fixed Income

- Loomis Sayles Investment Grade Fixed Income Fund
- SSgA Passive Bond Market Index SL Fund

International Equity

- Boston Company International Equity Fund

Real Estate

- PRIT

General Allocation

- PRIT

Consultant

- New England Pension Consultants

Custodian

- State Street

► 2006 Return	13.93%
► 2006 Target	8.00%
► 2006 Market Value	\$133.6 M
► 2002-2006 (Annualized)	9.25%
► 1985-2006 (Annualized)	10.07%